

**Remarks of Lt. Governor Becky Skillman at the
Middlebury Chamber of Commerce
March 25th, 2010**

It's a pleasure to be here with so many partners in progress, and it's good to see so many familiar faces and community leaders.

This is my 10th visit to Elkhart County since the Governor and I assumed office. Pleased to be out on the road again now that session is over.

It's especially nice when I get to travel to one of Indiana's favorite destinations. A lot of Hoosiers make the trek north to Amish Country every year, and they have good reasons to keep coming back. This part of our state is unique, and it gives visitors a picture of small town Indiana at its finest – whether they're looking for a Victorian bed and a breakfast or a comfortable place to stay with all the amenities and one of Indiana's largest restaurants here at the Essenhsaus.

These days, when tourists are looking for high value closer to home, Middlebury is an ideal drive-to destination. There's history here, culture and the beautiful Krider Gardens. It's a perfect getaway spot designed to relax and rejuvenate – exactly what people are looking for right now.

I want to thank you for all the work you've done to strengthen our tourism and hospitality industry. You've created a reputation for putting Indiana's best foot forward with warm welcomes and world-class service. And that makes a big difference in the overall economic picture.

If you can make people feel welcome and valued, then they will come back again and again, perhaps one day live here and bring their business here. It's all connected. We can't grow Indiana's economy unless people want to be here and be a part of our Hoosier community. And we can't do that without your help.

Spring is making itself known. In my neighborhood, and here too, I've noticed a lot of people out getting their gardens ready – even a few plants starting to pop up. I think it's a perfect picture of what's happening to Elkhart County's economy. There are signs of life everywhere you look.

This area took more than its fair share of hits during this recession. There were some who wanted to make this region a symbol for our nation-wide economic woes. But thankfully, you and your colleagues didn't let that happen. You've continued to work hard and keep your focus on growth and development.

I was proud to learn that Elkhart County was named the top destination for new corporate investment in 2009 by Site Selection Magazine. That's a tremendous accomplishment given the uphill battle you've had to fight in 2009. It's a welcome change to see the

spotlight shining on Elkhart County – not to point out problems – but to celebrate this area as the best place for new business investment.

We can thank a lot of you here today for that change, and a future that's looking brighter. Strong local leadership coupled with Indiana's low cost of doing business is going to keep bringing in new investment and new jobs.

But we've still got a lot of ground to cover before we reach that light at the end of the tunnel. And many Hoosier families continue to struggle. That means they need our business community to be stronger than ever, to produce opportunities and keep us going.

We know some businesses may still falter, possibly fail, but others will come out stronger when this recession is finally over. I can assure you, the same will be true for states. And we plan to work with you to make this a recession of opportunity.

The legislative session just ended. For a business owner, sometimes you hold your breath for the first three months of the year and hope nothing bad hits you. Every vote in the General Assembly is another opportunity to strengthen or weaken state's fiscal condition and economy. Thankfully, we had a few successes this year and were able to stop several bad ideas from seeing the light of day.

One big win for Hoosier businesses and taxpayers was the roll back on unemployment insurance premium increases. Those increases had to be suspended in order to keep Indiana competitive. Now, with a year-long delay, we can grant some relief to our businesses and protection to Hoosier jobs.

I was also pleased that legislators approved some of our cost-saving ideas to keep the state budget balanced. They approved our proposal to merge administrations of two state pension funds. Pensioners - retired teachers and retired public employees - will see no changes, but the state will pay millions less to the people on Wall Street who manage those funds.

Our state is a beacon of fiscal stability in America's economic storm, and even we have taken many hits as we attempt to maintain our strength. Even with all the efficiencies created, and reductions in state agency budgets, you might say the hard work is just beginning.

Note: To view the charts referenced below, please visit [Lt. Governor Skillman's website](#) and click on the icon that reads "Indiana Gains National Attention" at the lower left of the screen.

Chart 2: You can see that we may have less money to work with when we adopt the budget in 2011 than we had in 2006. But we have already made a commitment to live within our means, and not raise taxes.

Chart 3: We know that low taxes are precisely what have kept us so strong for so long. The Tax Foundation ranked IN as 12th best state for business tax – up from 14th last year – and in each year we were best in the Midwest.

Chart 4: You can see Indiana has not raised taxes, one of very few states that hasn't, since the beginning of the recession.

Chart 5: We've done a lot to tighten our belts. State Agency budgets have been reduced by 20% in an already lean state government, we've had a hiring freeze, no pay raises, voluntary unpaid leave, reduced state fleet of vehicles. Higher education and public schools are our last resort.

Chart 6: We worked so hard to obtain a AAA credit rating a few years ago, for the first time in our state's history. And now, we're working equally hard to maintain it. It does, indeed, make a difference to investors as they consolidate, expand, or locate new businesses here.

Chart 7: In 2009, CEO's from across the country named Indiana as the most business-friendly state in the Midwest, and one of the best in the nation.

Chart 8: And Forbes puts Indiana first in the Midwest and 6th nationally for the COST of doing business.

Chart 9: We have the best "sandbox" - or economic development tool box - through a number of new initiatives, we've undertaken since 2005, including Major Moves, telecom reform, patent income exemption, Buy Indiana, property tax relief and regulatory reform.

Chart 10: Despite the recession, last year our states' Economic Dev Corp has exceeded expectations. The state has sealed deals with more than 150 businesses statewide that have committed nearly 20,000 new jobs. I will admit the amount of the private capital investment is far less than the previous year, but that is due in large part to the increase of consolidations we've on.

Charts 11 & 12: As you can see, in 2009, Indiana won 48 competitive consolidations, where national or international companies saw the need to consolidate, then chose Indiana as the best place for the streamlined operation.

Chart 13: Hoosiers often ask about the future of the auto manufacturing in our state – and I know in our RV capital it's a constant concern. The auto industry may be unstable, but in Indiana we are seeing continued investment. Toyota is investing \$500 million in Princeton to make their Highlander SUV. And I broke ground on another Toyota subsidiary in Franklin. GM is investing \$46 million at Ft. Wayne to build heavy duty pickup trucks. And GM is moving lots of heavy equipment and hundreds of jobs from Michigan and Ohio to Marion, IN.

Most exciting is the number of start up companies in Indiana that will provide the technology for the energy efficient vehicles of tomorrow. MSNBC recently said Elkhart “the RV capital of the world might soon be able to bill itself as the EV capital of the world.” EV as in “Electric Vehicles.

The company THINK Global, a manufacturer of electric cars right here in Elkhart County – is investing nearly \$43 million, with the promise of 400 new jobs by 2013. Then there’s Bright Automotive, EnerDel, and Carbon Motors in Connersville, making energy efficient law enforcement vehicles...

Chart 14: Outside the auto industry other companies are still out there looking for the right place to land and grow.

Dometic’s investments in Elkhart and LaGrange was one of the highlights of 2009. This is a company that’s closely tied to the RV industry – manufacturing retractable awnings for RVs and also brings diversity to the economy here with it’s refrigerator manufacturing operations.

And here in Middlebury, Capitol Hardware and the furniture company, Izzy, are moving forward with their plans to invest here and to create jobs.

These are the companies that call this area home, and there can be more like them.

It’s undeniable we still have many Hoosier families struggling, and this continues to be a difficult period in our national economy. But I’m confident, when we have finally passed through it, Indiana will be well positioned to surge forward once again...small towns and big cities alike.

Every step we can take to allow business to move forward is a step forward for us all. It’s easy for some to assume a government-fix mentality, the idea that government can fix everything or make it better by being more and more involved.

But we know from experience that government cannot create prosperity. It’s the work of individuals and risk takers, like those we honor tonight. What government CAN do is help create an environment where prosperity is possible.

State government is here to be a helping hand to your efforts to improve our communities and quality of life. The partnerships we have, whether that’s state and local governments or public private partnerships, they are critical to the future of our state.

Thank you for the meaningful way you are contributing to our economy. We all have a part to play in our states long term economic recovery. I couldn’t be prouder of the way Middlebury and Elkhart County have turned the tide in recent months and are getting back on track. We need your enthusiasm and motivation now more than ever.

So thank you for all your hard work. It's clearly starting to pay off. You are the ones who care about the future of our communities and the future of our state. And you are a big reason Indiana will see a complete economic comeback.

Thanks for all you do for Middlebury and Elkhart County, and thanks for having me today.